



Press Release
02.02.2022

Today Directorate of Enforcement has arrested Pravin M Raut , former director of Guru Ashish Construction Pvt Ltd, Mumbai under the provisions of Prevention of Money Laundering Act, 2002 (PMLA). M/s Guru Ashish Construction Pvt Ltd was involved in redevelopment of Patra Chawl Goregaon, Mumbai. Patra Chawl had 672 tenants in tenements on 47 acres land belonging to Maharashtra Housing Area Development Authority (MHADA). The accused was produced before Hon'ble Session Judge, Mumbai on 02.02.2022 and the Hon'ble judge was pleased to grant eight (08) days ED custody by remanding him till 09.02.2022.

ED has initiated investigation under provisions of PMLA, 2002 on the basis of FIR registered by EOW, Mumbai invoking Section 120 r/w 420 B and 409 of IPC. M/s Guru Ashish Construction Pvt Ltd had entered in a tripartite agreement with the tenants and MHADA to redevelop Patra Chawl, Goregaon, Mumbai. Parvin Raut alongwith Rakesh Kumar Wadhawan and Sarang Wadhawan, Directors of M/s Guru Ashish Constructions Pvt Ltd, in connivance with others illegally sold FSI to various builders for Rs 1034 Crore. This was done without constructing the rehab flats and flats to be handed over to MHADA, which was the pre requisite.

Investigation conducted under PMLA, 2002 revealed that Pravin Raut being Director of Guru Ashish Construction Pvt Ltd has played an active role in redevelopment project and in connivance with Rakesh Kumar Wadhawan and Sarang Wadhawan, managed to divert the Proceeds of Crime more than 1000 Crore by harming the interest of 672 tenants and buyers. In addition to Rs 1034 Crore received from various builders, they had also obtained Bank loans. It is also revealed that during 2010 Pravin Raut has received Rs 95 Crore in his bank account in the guise of sale of equity and land deal though the company was not able to complete the project and had not generated any income.

Further in another case (PMC bank loan Fraud Case), the properties of Pravin Raut amounting to Rs 72.65 Crore was identified and provisionally attached. The provisional attachment has been confirmed by Adjudicating Authority under PMLA.

Search of the premise of Pravin Raut was conducted under Section 17 of PMLA, 2002 on 01.02.2022. Statement of Pravin Raut under Section 50 of PMLA, 2002 was recorded on 01 & 02.02.2022. Pravin Raut was found involved in offence of money laundering and to unearth the money trail and the siphoning of funds running into more



than 1000 Crore, he was arrested and a prayer was made for ED custody. He was produced before the Hon'ble Court and remanded till 09.02.2022.

Further investigation is under progress.
